



Investment Consultants Sustainability Working Group (“the Group”)

Terms of Reference

1. Purpose

- 1.1 The Group is a collaboration between investment consulting firms in order to engage with its collective stakeholders, give added power to asset owners and their ultimate beneficiaries in order to secure better sustainable investment practices across the investment industry.
- 1.2 The Group commits to:
 - Engage across a broad range of stakeholders, including asset owners, asset managers and regulators;
 - Seek investment outcomes which are genuinely sustainable and not a tick box exercise;
 - Align with and support existing industry bodies and initiatives;
 - Support clients who are too small to meaningfully engage with industry initiatives;
 - Create a guiding set of principles that indicate good practice with practical advice; and
 - Be a body where regulators, policymakers and other stakeholders can seek input when they need a view from investment consultants.

2. Membership

- 2.1 The Group is open to any firm or an individual division of a larger firm whose main line of business is to provide comprehensive investment consulting services to UK institutional asset owners.
- 2.2 In joining the Group, each firm commits to actively contribute to the Group’s activities through participation in both the Steering Committee and at least one Workstream. Firms may cease their involvement in the Group at any time.
- 2.3 The Group acknowledges that member firms’ activities may extend to other services, other clients and other jurisdictions, but that such activities fall outside of the Group’s scope. Member firms will each take appropriate measures to avoid any conflicts of interest between the Group’s work and these other activities.
- 2.4 All member firms may publicly acknowledge their involvement in the Group.



3. Operation of Group

3.1 The Group will be overseen by a Steering Committee which will meet on a frequency it determines to be appropriate, but no less than three times each year. Each member firm will nominate one person to sit on the Steering Committee.

3.2 The Group will create Workstreams to progress its activities on a day-to-day basis as required. The current Workstreams agreed by the Group are:

- Asset managers
- Asset owners
- Communications
- Impact investing
- Regulation
- Stewardship

The Group may add, change or discontinue Workstreams as it sees fit.

3.3 In order to share workload and diversify thinking, each member firm will nominate one person to join a Workstream. Firms will participate in at least one and at most three workstreams.

3.4 Workstreams shall be self-organising but will be subject to oversight and guidance from the Steering Committee. Each Workstream will report on its activities to the Steering Committee as required.

4. Output of Group

4.1 The Group and its Workstreams may produce output in the form of reports, statements, papers, consultation responses which will be published in the name of the Group. The Steering Committee will be ultimately responsible for any output of the Group.

4.2 If it chooses, the Group may maintain a website in order to house any output and act as a point of reference for third parties.

4.3 Subject to the prior agreement of the Steering Committee, any member of the Steering Committee and any Workstream Lead may make comments to the press on behalf of the Group.

5. Review of Group

5.1 The role of the group and these terms of reference will be reviewed on at least an annual basis.

November 2021